

# NCUA News

## BOARD ACTIONS - AUGUST 31, 1998

### Proposed Chartering and Field of Membership Policy Issued

Moving as quickly as possible after the president signed the *Credit Union Membership Access Act*, the NCUA Board issued proposed *Interpretive Ruling and Policy Statement 98-3* to implement new chartering and field of membership policies contained in the *Act* and to ensure that credit unions have the tools necessary to evolve with members' needs.

IRPS 98-3 redrafts the NCUA Chartering and Field of Membership Manual with new chartering and field of membership policies, a definition of "immediate family members," and changes that affect service in underserved areas, membership retention, overlaps, exclusion clauses, and mergers.

When IRPS 98-3 is final, NCUA will issue three types of credit union charters:

- 1) single occupation or association common bond;
- 2) multiple common bond; or
- 3) local community, neighborhood, or rural district that serves a well defined area where residents have common interests or interact.

**Significant modifications** in the proposed chartering policy would:

- Create a new multiple-group policy with numerical limitations on additions to select groups, five statutory criteria for adding a select group to multiple common bond credit unions, mergers of

continued on page 3

## BOARD ACTIONS - SEPTEMBER 23, 1998

### Interim Member Business Loan Rule Effective Immediately

The NCUA Board adopted an immediately effective, interim member business loan (MBL) rule that changes the MBL rule issued in July 1997 and as mandated by the recent *Credit Union Membership Access Act*. The new rule also establishes procedures for obtaining an exception from the aggregate MBL loan limit established by the *Act*.

Issued as new Part 723 of NCUA regulations, a few substantive sections of the interim rule include the following provisions, many imposed by the *Credit*

*Union Membership Access Act*.

- **Definition of member business loans** — any loan, line of credit, or letter of credit that will be used for a commercial, corporate or other business investment property or venture, or agricultural purpose.
- **\$50,000 minimum threshold** on member business loans.
- **MBL exemptions** are —
  - 1) credit extensions fully secured by a lien on a 1-to-4 family dwelling that is the primary residence of a member;

October 1998, Number 8

## HIGHLIGHTS

News Briefs	2
Empowerment 2000	4
Facts and Figures	4
Y2K Reviews	5
Conversations With America	6
Legislative Update	6
Regulator to Regulator	7
CU Quick Facts	7

- 2) credit extensions fully secured by share deposits;
- 3) MBL credit extensions at or below the \$50,000 threshold; and
- 4) credit extensions fully insured or fully guaranteed or where a government advance commitment to purchase in full exists; or
- 5) credit extensions corporate credit unions grant to another credit union.

**The aggregate loan limit on MBLs** is the lesser of 1.75 times a credit union's net worth or 12.25 percent of a credit union's assets, whichever is less. (Net worth is undivided earnings, regular reserves, and other reserves.)

There are three exceptions to the MBL loan limit:

- Credit unions with a low-income designation;
- Credit unions chartered for the purpose of making MBLs; and
- Credit unions with a history of primarily making MBLs.

continued on page 3

**NCUA is Sponsoring EMPOWERMENT 2000 Training for Small Credit Unions**

## News Briefs

- **Dividend Expected** — The NCUSIF will recommend that the Board issue a dividend of approximately 4 percent to credit unions and waive the 1999 insurance premium at the October Board meeting.
- **\$2 Million for the Revolving Loan Fund** — The conference version of the VA HUD Appropriations bill contains an additional \$2 million for the Community Development Revolving Loan Fund Program. The House and Senate must now re-pass the conference report before it goes to the White House.
- **Guidance for IRPS 98-2** — *Letter to Federal Credit Unions 98-FCU-4*, issued last month, provides federal credit unions with the standards NCUA will apply to evaluate how well credit unions manage investment risks. The document shares the guidelines NCUA examiners will use to ensure that the level of risk management is adequate for the size, scope and complexity of credit union investments.

- **Y2K Audit Scope** — NCUA will soon issue a letter to credit unions introducing the new FFIEC audit scope the agency is adopting to review testing procedures for Y2K issues.
- **Former Soviet States May Use NCUA Exam** — AIRES II is the supervision tool of choice. The U.S. Agency for International Development (USAID) plans to recommend NCUA's latest electronic supervision program to several nations of the former Soviet Union as an oversight tool for their financial institutions. USAID selected the AIRES program after evaluating the supervision programs of fellow federal financial regulators.
- **NCUSIF Equity Level** — The NCUSIF equity level reached 1.32 percent at the end of August based on insured shares of \$294.3 billion at Dec. 31, 1997.

- **Credit Union Failures** — Ten federally insured credit unions have failed through the end of August at a cost of \$2.1 million.
- **AT&T & Related Lawsuits** —  
– NCUA filed a motion September 1 concerning the AT&T field of membership litigation and the status of the nationwide injunction. The motion asks the Court of Appeals to vacate the injunction and to remand the consolidated actions back to the District Court with an order directing the Court to dismiss the cases. The banks' counsel have indicated they do not oppose this motion.  
– The California Bankers Association has agreed to dismiss the Pt. Mugu Federal Credit Union lawsuit. A joint motion to dismiss is pending before the U.S. District Court for the District of Columbia. California bankers opposed

continued on page 6

## NCUA News

NCUA News is published by the National Credit Union Administration, the federal agency which supervises and insures credit unions.

**Norman D'Amours, Chairman**  
**Yolanda T. Wheat, Board Member**  
**Dennis Dollar, Board Member**

Information about NCUA and its services may be secured by writing to the Office of Public and Congressional Affairs, or by calling 703-518-6300. News of what is happening at NCUA is available by calling 800-755-1030 or 703-518-6339.

Robert E. Loftus, *Director,*  
*Office of Public and Congressional Affairs*  
Cherie Umbel, *Editor*  
Lesia Bullock, *Contributing Writer*  
Barbara Walker, *Graphics*

National Credit Union Administration  
1775 Duke Street  
Alexandria, VA 22314-3428

## Chairman Testifies That Y2K Efforts On Track at Credit Unions

Chairman D'Amours told House Banking Committee members September 17 that "credit unions' Y2K computer conversions are progressing well." At mid-year 1998, 10,525 federally insured credit unions' were satisfactorily progressing to meet Y2K deadlines, 895 needed improvement, and 29 were judged unsatisfactory in their Y2K efforts.

NCUA tracks Y2K progress with on-site contacts and quarterly data submitted by all federally insured credit unions. To promote Y2K compliance, NCUA has taken 122 supervisory actions against 116 federally insured credit unions. Of the 52 actions now in place, 27 are letters from regional directors while 25 are more serious Letters of Understanding or Memos of Understanding. More serious sanctions will apply if a credit union continues to ignore directives.

In-house at NCUA, Y2K testing, repairing, and verifying internal systems

is either on or ahead of schedule. Six of NCUA's seven critical systems are fully Y2K compliant and the last was scheduled to be compliant by September 30, 1998.



At press time, the Y2K bill that the Chairman testified on awaited the President's signature. Designed to encourage more communication, the bill protects companies from liability when they disclose Y2K information. It is expected to particularly apply to utilities and telecommunications companies.

## BOARD ACTIONS

AUGUST 31, 1998

Continued from page 1

- multiple group credit unions, and overlaps;
- Update the definition of single occupation and association common bonds;
- Revise policy requirements to charter, expand, or convert to a community charter;
- Add a chapter on low-income credit unions that addresses the ability of a federal credit union to add an underserved area to its field of membership;
- Define immediate family member for credit union membership eligibility; and
- Codify the statutory authority for the "once a member, always a member" policy.

### Important changes

While NCUA has not set a minimum field of membership size for chartering a new federal credit union, experience has demonstrated that a **credit union with less than 3,000 potential members may not be economically advisable**. Charter applicants with fewer than 3,000 potential members will be asked to provide more evidence of support. NCUA has found that normally 1/3 of potential members actually join the credit union.

**Adding select groups** to existing multiple group credit unions will require a written determination that a group cannot form its own credit union.

**Multiple group credit unions** may serve a combination of distinct, definable occupational and associational common bonds. Five statutory criteria must be met before a select group can be added to a credit union, and the group must be within the service area of one of the credit union's service facilities. An ATM does not meet the definition of a service facility.

Generally, the requirements applicable to **field of membership expansions** apply to a merging credit union. Numerical limitations on multiple groups do not apply to mergers with safety and soundness concerns or in emergency situations.

**Community charters**, according to "statutory requirements, will be based on

a well-defined local community, neighborhood or rural district." The requirement will most easily be met if the area to be served, according to the proposal, "is a recognized political jurisdiction, not greater than a county or its equivalent and if the population of the well-defined area does not exceed 300,000." If the requested area goes beyond these limits, more detailed documentation must be provided. A credit union that converts to a community charter may continue to serve existing members pursuant to the new statutory provision that codifies the "once a member always a member" policy.

**Overlap protection** differs depending on the type of credit unions involved. In general, a community credit union may overlap any other type of credit union unless it raises safety and soundness concerns. NCUA will not generally charter two or more credit unions to serve the same single occupational or associational group.

**Immediate family members**, according to this proposal, are defined as "persons related to the member by blood, marriage, or other recognized family relationships in the same household (under the same roof), or if not in the same household, as a grandparent, parent, spouse, sibling, child, or grandchild."

The **once a member always a member policy** is being added to the new *Chartering and Field of Membership Manual* to codify a provision authorized by the new statute.

A separate chapter was added to set forth special policies for low-income credit unions and special chartering policies for underserved areas as defined in the *Community Development Banking and Financial Institutions Act of 1994*.

*Proposed IRPS 98-3* was issued with a 60-day comment period beginning September 14. Commenters are encouraged to thoroughly review the proposal and expeditiously submit comments. After reviewing the comments received, NCUA expects to have a final chartering and field of membership policy issued within 4-to-6 months. *Proposed IRPS 98-3* is available on NCUA's website at [www.ncua.gov/justposted.html](http://www.ncua.gov/justposted.html).

## BOARD ACTIONS

SEPTEMBER 23, 1998

Continued from page 1

The definition of credit unions with a history of primarily making MBLs is either –

1. MBLs comprise at least 25 percent of the credit union's outstanding loans (based on Call Report data).
2. MBLs comprise the largest portion of the credit union's loan portfolio (based on Call Report data).

To obtain an exception, a federal credit union must submit documentation to the regional director demonstrating it meets the criteria for an exemption. A state-chartered, federally insured credit union must submit documentation to the state regulator to receive the exception.

Federally insured state-chartered credit unions are exempt from this rule if the state regulatory authority adopts substantially equivalent regulations, as determined by the NCUA Board. The interim rule has a 60-day comment period.

### FCUs Authorized to Act as Custodians and Trustees of Roth and Education IRAs Retroactive to Jan. 1, 1998

The NCUA Board approved final rules, implemented as interim rules March 24, 1998, that authorize federal credit unions to act as trustees and custodians for Roth and Education IRAs and enable FCUs to offer these accounts to employees as additional retirement benefits.

Retroactive to January 1, 1998, Part 724 of the *NCUA R&Rs* is amended to extend federal credit union trustee and custodian authority regarding pension and retirement plans to include Roth and Education IRAs, and Part 701 is amended to include these accounts on the list of permissible retirement benefits for federal credit union employees.

### Chartering Changes

**Government Agencies FCU**, El Centro, Calif., gained NCUA approval to convert from an occupational to a low-

continued on page 8

# Facts and Figures Mid-Year 1998

Assets, loans, shares, capital and investments increased during the first six months of 1998 while delinquent loans declined to the lowest point in two years according to the data submitted by the nations 11,125 federally insured credit unions at June 30, 1998.

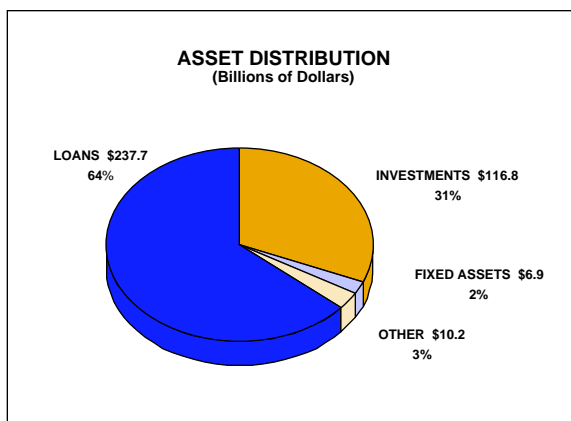
Looking at the major highlights –

- Assets grew 5.8 percent, from \$351.2 to \$371.6 billion
- Loans grew 2.4 percent, from \$232.2 to \$237.7 billion
- Savings grew 5.7 percent, from \$307.2 to \$324.8 billion
- Investments grew 13.7 percent, from \$102.7 to \$116.8 billion
- Loan to share ratio declined from 75.6 to 73.2 percent
- Delinquency ratio declined from 1.0 to 0.9 percent
- Net capital ratio declined from 11.1 to 10.9 percent

Among the more significant categories of loans, first mortgage real estate loans represented the largest loan volume and grew a substantial 9.7 percent, increasing from \$51.9 billion to \$56.9 billion in the first six months of 1998. Used auto loans grew 7 percent, increasing from \$43.5 to \$46.6 million. And for the first time in recent history, new auto loans declined 3.2 percent, decreasing from \$49.4 to \$47.8 million. Loan charge-offs increased and the \$800,000 reported in loans subject to bankruptcy marks an increase that reflects the nationwide rise in bankruptcies. Federally insured credit unions' provision for loan losses increased a slight .7 percent.

Regular shares in federally insured credit unions grew 5.1 percent, from \$123.4 to \$129.7 billion. Money market shares gained 11.1 percent from year-end 1997, increasing from \$33.3 to \$36.9 billion. Share certificates increased 5.1 percent, up from \$76 to \$80 billion, while share drafts increased 7 percent, up from \$35.9 to \$38.4 billion.

Deposits in corporate credit unions escalated 28.3 percent, up from \$26 to \$33.4 billion, while CMO investments moved down from \$3.8 to \$3.6 billion, a 5.3 percent decline.



continued on page 6



## Office of Community Development Credit Unions Presents Empowerment 2000

### Register Today For The Empowerment 2000 Workshop Near You!

This informative event is **FREE**, but seats are limited. Please register **NOW!!** You still have a "small window" of time left to register.

Many credit unions have already registered. We offer you the opportunity to take advantage of this free workshop and learn how credit union managers and board members can gain knowledge and information to help them to further serve the underserved into year 2000 and beyond.

Learn about Y2K "readiness" for compliance with NCUA regulations; Field of Membership (FOM); volunteerism; financial management; and, many other topics.

#### Attend the workshop at a location of your choice:

October 23 - October 25, 1998	St. Louis MO
October 30 - November 1, 1998	Phoenix, AZ
November 6 - November 8, 1998	Miami, FL.

#### TIME IS RUNNING OUT!!

If you need registration forms or other information, call  
**(703) 518-6610.**

### Community Development Revolving Loan Fund Program

Number of CDRLP Loans Granted in August 1998	2
Amount of Loans Granted this Month	\$200,000
Number in Process	1
Amount in Process	\$100,000
Outstanding Loans at August 31, 1998	\$7.7 million
Number of Loans Outstanding	75
Number CDRLP Technical Assistance Grants	
Approved in August 1998	8
Amount of Grants Approved in August	\$26,915
Number of Grants Disbursed Year-to-date	81
Amount of Grants Disbursed Year-to-date	\$189,365





## Y2K Information System Reviews Underway

NCUA and its technology partner, PriceWaterhouse coopers, are in the process of reviewing information system vendors that provide and support computer systems within the credit union community. Each review takes roughly a week, and is conducted by a joint NCUA and PriceWaterhouse coopers team. An executive summary of review results is sent to all vendor clients. By the end of this year, 80 percent of information system vendor (ISV) reviews will be complete.

The following vendors have been reviewed:

Datamatic	Lansing	MI
Myrick	Erie	PA
AMI Inc	Racine	WI
Computer MarketinCorp (CMC)	Salt Lake City	UT
Member Data Serv.	Indianapolis	IN
Modern Computer Sys.	Burnsville	NY
Symitar Systems	San Diego	CA
Wesco	Kentwood	MI
CU Manager	New Castle	PA
Advanced Mgt Info. Systems	Pittsburgh	PA
Credit Union (CU) Consultants	Dayton	OH
Credit Union Data Processing Inc.	Farmington	UT
Syntropy	Durango	CO

The current schedule for additional ISV reviews follows. A review will be conducted for each vendor listed.

Date	Vendor
• 9/21/98	- Int'l Software Sys. - Overland Park, KS
• 9/28/98	- Share One, Inc. - Memphis, TN
• 10/5/98	- Apex Data Systems - Indianapolis, IN
• 10/13/98	- Real Time Data Mgmt - Norfolk, VA
• 10/19/98	- Total/1, Inc. - Houston, TX
• 10/26/98	- EPL - Birmingham, AL
• 11/2/98	- FiTech - Atlanta, GA
• 11/16/98	- EDS Flagship - St Louis, MO
• 11/30/98	- SOS Computer Systems - Orem, UT
• 12/7/98	- EDS Flagship Premier - Plano, TX
	Comm. Business Sys. - Goldsboro, NC
	Aftech - Malvern, PA
	John J. Shutt, Inc. - Edna, TX
	R.C. Olmstead, Inc. - Columbus, OH
	Systronics, Inc. - Lenexa, KS
	Enhanced Software Products - Spokane, WA
	Electronic Recordkeeping Serv. - Indianapolis, IN
	CU Solutions, Inc. - Fort Mill, SC
	Premier Systems - West Des Moines, IA

## ABOUT INVESTMENTS

### Bond Equivalent Yield

The *Truth in Savings Act* does not require a broker to disclose the annual percentage yield (APY) to a credit union that is making an investment, since the credit union is not a consumer. That means a broker can quote a CD in terms of simple interest to a credit union.



Please be aware that some brokers use misleading terms such as "average annual yield" to describe a return that is a simple interest rate. This means a CD broker might say that if you invested \$73,276 today and got \$100,000 in six years, your "average annual yield" would be 6.08 percent. On the other hand, a bond broker could tell you that this CD has a "bond equivalent yield" of 5.25 percent. It is easy to recognize that such a low bond equivalent yield compares unfavorably with bond equivalent yields on alternative six-year investments, including zero coupon Treasury securities.

**What should you do?** Make sure all brokers tell you the potential return of an investment in terms of "bond equivalent yield," not average annual yield, and not simple interest. This ensures you compare alternative investments using the same measure of return.



<http://www.ncua.gov>

Many publications including NCUA News are available to download directly from the NCUA web site.

# Legislative Update

With the 2nd Session of the 105th Congress scheduled to adjourn October 9, at press time several pieces of legislation of interest to credit unions remained short of final passage.

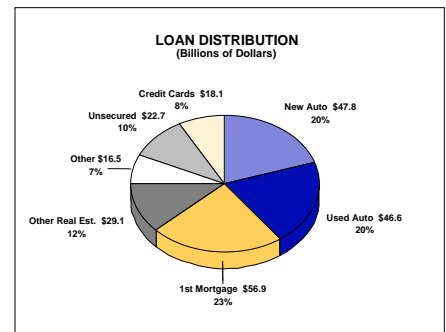
- Regulatory relief legislation remains stalled in the House Banking Committee as members debate whether to remove a provision added during Subcommittee markup exempting small banks from the Community Reinvestment Act. The House bill also contains language prohibiting credit union insiders from receiving any economic benefit for five years if a credit union converts to another type of depository institution. The Senate Banking Committee approved a regulatory relief bill in July without the CRA and credit union provisions.

- Financial services reform legislation gained Senate Banking Committee approval September 18 by a 16-2 vote. However, it is unclear if or when the full Senate will consider the bill. The House approved a different version of the bill this summer by a one-vote margin. These bills have no provisions which directly affect credit unions.
- Consumer bankruptcy reform, which requires more debtors to repay some unsecured debt, was approved by the full Senate September 23 by a 97-1 vote. The Senate version of the bill is different from the House version passed earlier this year, so a conference between members of the House and Senate Judiciary Committees will be necessary to resolve the differences between the two bills.

## FACTS AND FIGURES

Continued from page 4

Profitability is stable. The return on average assets remained a steady 1 percent. After the capital ratio climbed to 11.7 percent at the end of 1997, the 11.6 percent capital ratio reported at mid-year 1998 returns to near last year's June level of 11.4 percent. The net capital ratio of 10.9 percent slightly trails the year-end 1997 ratio because asset growth outpaced capital expansion.



# NCUA Conversations With America



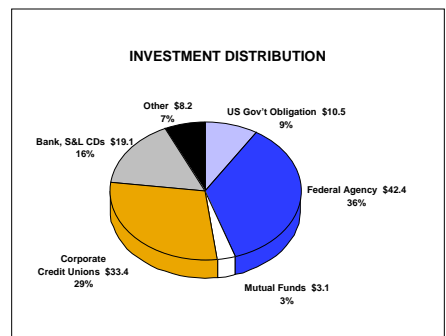
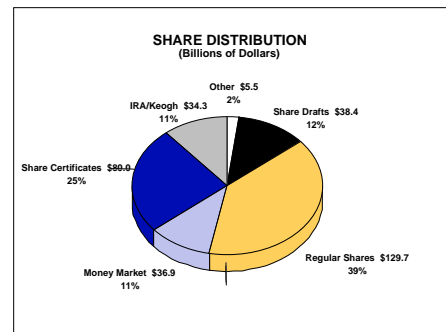
NCUA kicks off its new bilateral communications effort by announcing several locations where our credit union customers will have an opportunity to speak directly to Chairman DAmours.

- Who and What:** NCUA Chairman Norman E. DAmours will host town meetings to kick-off NCUA workshops designed to prepare small credit unions to meet upcoming challenges.
- Why:** Input will be considered by NCUA's Office of Community Development Credit Unions as it assists the small credit unions consider funding, products, and services needed to prepare for the new millennium.
- Contact:** Delores Martin at 703-518-6610 or [cdcumail@ncua.gov](mailto:cdcumail@ncua.gov).

A constantly updated schedule of events and locations where the public can share ideas and concerns with NCUA officials will appear in the NCUA NEWS and on our web site at <http://www.ncua.gov/news/conversations/ncuatalks.html>.

### • When and Where

October 23, 1998 —	Radisson Hotel Bridgeton, Mo. (314) 291-6700
October 30, 1998 —	Wyndham Metrocenter Hotel Phoenix, Ariz. (602) 997-5900
November 6, 1998 —	Sheraton Biscayne Bay Hotel Miami, Fla. (305) 373-6000



## Regulator To Regulator

NCUA actively participated in the Annual Meeting of the National Association of State Credit Union Regulators held at Marco Island, FL., in mid-September.

Chairman Norman E. D'Amours and Board Member Dennis Dollar both addressed general sessions expressing their belief that a strong dual-chartering system contributes to a strong credit union community.

Additionally, both the Chairman and Board Member Dollar met individually with a group of state regulators who are members of the NASCUS H.R. 1151 Task Force. The productive sessions yielded a framework for improving collaboration and cooperation on a number of issues, including implementing relevant provisions of H.R. 1151. The new proposed member business loan rule that the NCUA Board considered in September manifests the results of this new cooperative effort.



Board Member Yolanda Townsend Wheat met with state regulators during the NASCUS Annual Conference in Marco Island, Florida last month. Pictured above are Sarah Vega of Illinois, NASCUS Chair-Elect; Sharon Whiddon of Florida, NASCUS Chair; Board Member Wheat; and Jerrie Lattimore of North Carolina, NASCUS Board Member. During their discussion, Board Member Wheat emphasized the importance of upholding and preserving the independent nature of the dual chartering system, particularly as new rules and regulations are implemented as a result of the Credit Union Membership Access.

## Credit Union Quick Facts

### Federally Insured Credit Unions

June 30, 1998

Number of Credit Unions	11,125
Number of CU Members	72.5 million
Assets	\$371.6 billion
Loans	\$237.7 billion
Shares	\$324.8 billion
Investments	\$116.87 billion
Capital	\$42.9 billion
Capital to Asset Ratio	11.6 percent
Loan to Share Ratio	73.2 percent

### National Credit Union Share Insurance Fund

July 31, 1998

Equity Ratio	1.31 percent
Total Assets	\$3.9 billion
Reserves	\$78.9 million
Retained Earnings/Shares	0.31 percent
Operating Expense	\$28.3 million
Net Income	\$97.7 million
Insurance Losses	\$0
Insured Shares	\$294.3 billion
Credit Union Failures	10
Involuntary Liquidations	8
Assisted Mergers	2

## NEWS BRIEFS

Continued from page 2

the field of membership conversion that NCUA granted to Pt. Mugu last year.

- NCUA filed a motion to dismiss the Eastern Pennsylvania District Court's decision to nullify the completed merger of Sun FCU and Defense Supply Federal Credit Union of Philadelphia. The court ruled in April 1998 that the merger was invalid because the two credit unions did not meet common bond requirements imposed by the DC District Court's injunction in the AT&T case.

### October 22 Board Actions Expected

- An NCUA task force will recommend an operating fee scale for federal corporate credit unions.
- Proposed changes to NCUA's Interlocks Rule (Part 711) will offer amendments to comply with the 1996 Interlocks Act.

### Currency Transaction Report Revised

The Internal Revenue Service has revised the Currency Transaction Reporting form that credit unions and other financial institutions submit to help detect and investigate money laundering and other illegal activities.

Order the new, free reporting form from the IRS distribution center at 1-800-829-3676. Follow the voice prompts and order IRS Form 4789. The form is also available on the Financial Crimes Enforcement Network's Web site at [www.treas.gov/fincen/forms.html](http://www.treas.gov/fincen/forms.html). Questions about the form should be directed to your NCUA regional office.

## BOARD ACTIONS

### SEPTEMBER 23, 1998

Continued from page 3

income community credit union able to serve the 109,303 primarily low-income residents of Imperial County. Located in the southeast corner of California, \$112 million Government Agencies FCU was chartered in 1954.

**Zimmer Employees FCU**, Warsaw, Ind., gained approval to convert from an occupational to a community charter serving the 65,294 people who live, work, worship, attend school, and businesses and other legal entities in Kosciusko County, Ind. The sponsor of \$9.5 million Zimmer Employees FCU plans to con-

tinue downsizing, and the credit union has a penetration rate of 81 percent.

**Sioux Falls Federal Credit Union**, Sioux Falls, S. D., gained approval to convert from a multiple-group to a community-based charter to serve the people who live, work, worship, attend school in and businesses and other legal entities located in Minnehaha and Lincoln Counties, South Dakota. The \$48 million South Falls FCU sought the conversion to provide the community with the alternative of not-for-profit financial services.

### Insurance Conversion

**Cass County Farm Bureau Credit Union**, Logansport, Ind., secured the

NCUA Board's approval to convert from federal to private insurance coverage for its members' deposits. The credit union sought the insurance conversion primarily because federal regulations limit the amount of member business loans to one borrower.

### Corporates Merge

The NCUA Board approved the merger of **Idaho Corporate CU**, Boise, Idaho, into **Western Corporate FCU**, San Dimas, Calif., which is scheduled to become effective November 1, 1998.

The \$136 million Idaho Corporate is merging with \$11.34 billion WesCorp to offer its credit union members a wider range of services.



*August 12, 1998 — Board Member Dennis Dollar greets Nigel J. F. Fawcett, the Head of Credit Unions Branch, Registry of Friendly Societies, our sister regulatory agency in England. Mr. Fawcett and Mr. Dollar discussed their respective country's credit union system and philosophy. Mr. Dollar also explained NCUA's method of supervision to Mr. Fawcett.*

# NCUA News

National Credit Union  
Administration  
1775 Duke Street  
Alexandria, VA 22314-3428

FIRST CLASS MAIL  
POSTAGE AND FEES PAID  
NCUA  
PERMIT No. G-88